

taxpayers of the kingdom participate in approximately precise proportion to the taxes for which they are liable. A fundholder, accordingly, while suffering by reason of his fixed interest controlling a contracted quantity of necessities and goods generally, yet concurrently derives advantage from the lightened burden of taxes which he sustains.

When, on the contrary, gold has become appreciated in value, in other words, when the values of commodities measured in gold (*i.e.* their prices) have declined, the farmer, for example, who pays his rent in gold, endures a twofold detriment in his accounts, for a stated amount of produce procures a decreased quantity of gold, and the gold embodied in the rent can only now be obtained by the expenditure of an increased store of produce. In contracts expressed in gold, an added burden is imposed upon Debtors for the reason assigned; the gain in the development of industry which they would otherwise have secured is arrested or reduced. The holders of ordinary shares in Commercial undertakings where Debenture stocks and Preference shares rank in priority, possess a contracted margin of security, since the appreciation of gold implies a diminution in the value of the entire undertaking, and accordingly, after allowing for the fixed and permanent superior charges, a narrower margin exists. On the other hand, with the greater purchasing-power over commodities involved in each sovereign, the owners of Debenture stocks and Preference shares (thus belonging to the Creditor class) receive a benefit. Capitalists who are both Debtors and Creditors may experience minor change from the enhanced alteration in the standard, for while the properties which they possess may thus be lessened in value, the interest they obtain from Government and similar securities of fixed amount affords a compensation by the enlarged range of command which it carries.

The appreciation of gold may be obviously produced by various causes apart from the failure of mines or a diminished productiveness, incommensurate with the expansion of commerce; since the enhanced demand may arise from the resumption of specie payments in any country which had recovered from financial distress, or from the adoption of a